



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Department of Administration  
DIVISION OF PURCHASES  
One Capitol Hill  
Providence, RI 02908-5855

Tel: (401) 222-2317  
Fax: (401) 222-6387  
TDD: (401) 222-1228  
Web Site: [www.purchasing.state.ri.us](http://www.purchasing.state.ri.us)

24 March 00

**Addendum # 1**

**RFP # 3071 (MPA # 238) – Debt Collection Services**

Opening Date and Time: 6 April 00 at 2:00 PM

- The following firms attended the non-mandatory pre-bid meeting
  - OSI Collection Services, South Weymouth, MA
  - Municipal Collection Agency, Providence, RI
  - Rossi Law Office, East Providence, RI
- A summary of the pre-bid meeting is posted for review.
- No further questions shall be entertained.

---

Jerome D. Moynihan, C.P.M., CPPO  
Administrator of Purchasing Systems

RFP # 3071 Debt Collection Services

Pre-Proposal Conference, March 23, 2000

Clarifications and questions related to the RFP:

1. No appendix 2 is included in the RFP, only appendixes 1 and 3 due to a clerical error.
2. On page 14, under Department of Corrections Requirements, they will require both billing and collection services. The billing is to be in the name of the Department of Corrections.
3. The majority of delinquent accounts Both in terms of number of accounts and total dollars) under the current collection contract are from the Traffic Tribunal (formerly known as the Administrative Adjudication Court) within the Judiciary Department.
4. The Department of Administration, Division of Motor Vehicles will require the collection of dishonored checks.
5. Community College of Rhode Island will require the collection of delinquent student loans.
6. Currently, the University of Rhode Island and Rhode Island College have a separate existing contract for debt collection services. Upon the expiration of these current contract, they will be required to participate in this new state-wide contract.
7. The majority of all accounts that will be referred for collection, in terms of dollar value, are from the Judicial Department and colleges.
8. Under paragraph 2.3.3.3, entitled Cost Proposal, be advised that the state is looking for separate fees to be quoted for each of the following services:
9. Also, please be advised that the state might make contract awards to multiple vendors.
10. Question: If the state does make multiple awards, on what basis will it do so? The state might consider multiple awards based on the expertise of an individual firm and its cost proposal.
11. It is the intent of the state to have a signed statewide contract by July 1, 2000.
12. If the current firms is not selected under the new contract, or if multiple awards are made under this RFP, the current firm will transfer information related to the referred accounts to the new vendors.
13. Please be advised that a new vendor(s) will be required to reimburse the costs of the information transfer from the existing vendor.
14. The new vendor(s) will be required to provide to the state for its use only during the term of the new contract a license(s) for any of its proprietary software to access its database, without a fee(s).
15. Please explain what information the state is seeking for item 3.1.11 on page 6 of the RFP evaluation criteria: "average recovery rate for the last two years." Respondents should report their average recovery rate of delinquent accounts by client type, with specific emphasis on their government clients.

S:dbtcolRFPqa



**Solicitation Information**  
**13 March 00**

**RFP # 3071**

**TITLE: Debt Collection Services** (Master Price Agreement # 238)

**OPENING DATE AND TIME: 4/6/00 – 2:00 PM**

**PRE-BID/ PROPOSAL CONFERENCE: Yes     DATE: 23 March 00     TIME: 3:00 PM**

**MANDATORY : No**

**LOCATION: Department of Administration, Division of Purchases (2<sup>nd</sup> fl), One  
Capitol Hill, Providence, RI**

Questions concerning this solicitation may also be faxed to the Division of Purchases at (401) 222-6387 no later than **22 March 00 at 12:00 Noon**. Please reference the RFP / LOI number on all correspondence. Answers to questions received, if any, will be discussed at the pre-proposal meeting and included in the meeting summary.

**SURETY REQUIRED:     No**

**BOND REQUIRED:         No**

**Jerome D. Moynihan, C.P.M., CPPO**  
**Administrator of Purchasing Systems**

**Vendors must register on-line at the State Purchasing Website at  
[www.purchasing.state.ri.us](http://www.purchasing.state.ri.us).**

**NOTE TO VENDORS:**

**Offers received without the entire completed three-page RIVP Generated Bidder  
Certification Form attached may result in disqualification.**

**THIS PAGE IS NOT A BIDDER CERTIFICATION FORM**

State Of Rhode Island  
Department Of Administration

DEBT COLLECTION SERVICES  
REQUEST FOR PROPOSALS

**TABLE OF CONTENTS**

REQUEST FOR PROPOSALS

APPENDIX I -- REQUIRED STANDARD REPORTS

APPENDIX II -- RFP EVALUATION CRITERIA

APPENDIX III – ACCOUNTS RECEIVABLE PROFILE

## **SECTION 1 - INTRODUCTION**

### **1.1 GENERAL**

- 1.1.1** The Rhode Island Department of Administration/Division of Purchases, on behalf of the Office of Accounts and Control (OAC) is soliciting proposals from qualified firms to provide debt collection services, as described elsewhere herein, and in accordance with the terms of this Request and the State's Governing Terms and Conditions, which is available on the internet at [www.purchasing.state.ri.us](http://www.purchasing.state.ri.us)

**The contract period resulting from this solicitation shall be for one year, with an option to renew, at the discretion of the State, for up to four additional annual terms.**

- 1.1.2** This is a Request for Proposals, not an Invitation for Bid. Responses will be evaluated on the basis of the relative merits of the proposal in addition to price. There will be no public opening and reading of responses received by the Division of Purchases pursuant to this Request, other than to name those respondents who have submitted proposals.
- 1.1.3** This Request shall not be limited to the concepts presented herein, but should also include ideas and concepts based upon professional experience and knowledge in developing the best suited debt collection program, which will be cost effective and will meet the future requirements and growth deemed necessary by the state.

### **1.2 INSTRUCTIONS AND NOTIFICATIONS TO RESPONDENTS**

- 1.2.1** Potential respondents are advised to review all sections of this Request carefully, and to follow instructions completely, as failure to make a complete submission as described elsewhere herein may result in rejection of the proposal.
- 1.2.2** Respondents are instructed that once the RFP has been issued, there is to be no contact with any governmental employees, except for Mr. Jerome D. Moynihan of the Rhode Island Division of Purchases, regarding issues pertaining to this RFP. Instructions for participating in this bidding process, and information regarding this project, will only be provided through this RFP and written addenda.
- 1.2.3** Alternative approaches and/or methodologies to accomplish the desired or intended results of this procurement are solicited. However, proposals which depart from or materially alter the terms, requirements, or scope of work defined by this Request will be rejected as being non-responsive.
- 1.2.4** All costs associated with developing or submitting a proposal in response to this Request, or to provide oral or written clarification of its content, shall be borne by respondent. The State assumes no responsibility for these costs.

- 1.2.5** All pricing submitted will be considered to be firm and fixed unless otherwise indicated herein.
- 1.2.6** Proposals which are not present in the Division of Purchases at the time of opening for any cause will be determined to be late and not considered. For the purposes of this requirement, the official time and date shall be set by the time clock in the Division of Purchases reception area.
- 1.2.7** It is intended that an award pursuant to this Request will be made to a prime contractor, who will assume responsibility for all aspects of the work. Joint venture and cooperative proposals will not be considered, but subcontracts are permitted, provided that their use is clearly indicated in the proposal, and the subcontractors proposed to be used are identified.
- 1.2.8** Respondents are advised that all materials submitted to the State of Rhode Island for consideration in response to this Request for Proposals will be considered to be Public Records as defined in Title 38 Chapter 2 of the Rhode Island General Laws, without exception, and will be released for inspection immediately once an award is made.
- 1.2.9.** *Year 2000 Warranty* - The contractor warrants that each item of hardware, software, and firmware delivered or developed under this contract shall be able to accurately process date data (including, but not limited to, calculating, comparing, and sequencing) from, into, and between the twentieth and twenty - first centuries, including leap year calculations, when used in accordance with the item documentation provided by the contractor, provided that all listed and unlisted items (e.g. hardware, software, firmware) used in combination with such listed item properly exchange date data with it. If the contract requires that specific listed items must perform as a system in accordance with the fore-going warranty, then the warranty shall apply to the Government for breach of this warranty shall be defined in, and subject to, the terms and limitations of any general warranty provisions of this contract, provided that notwithstanding any provision to the contrary in such warranty provision (s), or in the absence of any such warranty provision (s), the remedies available to the Government under this warranty shall include repair or replacement of any listed item whose non-compliance is discovered and made known to the contractor in writing within ninety (90) days after acceptance. Nothing in this warranty shall be construed to limit any rights or remedies the Government may otherwise have under this contract with respect to defects other than Year 2000 performance.
- 1.3** In accordance with Title 7, Chapter 1.1, - of the General Laws of Rhode Island, no foreign corporation shall have the right to transact business in this state until it shall have procured a *Certificate of Authority* to do so from the Secretary of State. The apparent low respondent, if an out of state corporation with no business address within the state must either : 1) provide a copy of their *Certificate of Authority* , or ; 2) Show proof that an application is in process prior to the bid award.

## **SECTION 2 – PROPOSAL SUBMISSION**

## **2.1 PRE-POSAL CONFERENCE**

A Pre-Proposal Conference, for the purpose of clarifying the scope and intent of this RFP, as well as the evaluative criteria to be employed in the review of responses, will be conducted on **23 March 00 at 3:00 PM** at the Department of Administration, Division of Purchases, Bid Room, One Capitol Hill, Providence, Rhode Island. Respondents may submit written questions regarding the RFP prior to the Pre-Proposal Conference, but no later than **22 March 00 at 12:00 Noon** (Eastern Time). Questions should be typed and faxed to the Division of Purchases at (401) 222-6387. Please reference RFP # 3071 on all correspondence. Questions faxed by the deadline will be addressed first at the pre-proposal meeting and will be included in the meeting summary, which will be posted on the internet as an addendum to this solicitation.

## **2.2 SUBMITTAL DATE**

Interested respondents may submit proposals to provide the services covered by this Request on or before **6 April 00 at 2:00 PM**. Proposals received after this date and time will not be considered.

## **2.3 PROPOSAL FORMAT**

Proposals must include the following:

- 2.3.1** A completed RIVIP Bidder Certification Form, signed by the owner, officer, or authorized agent of the firm or organization, acknowledging and accepting the terms and conditions of this Request, and tendering an offer to the State. The Certification Form is to be included with all Technical and Cost Proposals. **No pricing information is to appear in the Letter of Transmittal.**
- 2.3.2** A separate Cost Proposal reflecting project costs and other fee structures proposed for this scope of service, including completion of the Cost Proposal Summary Sheet, which identifies Costs for Mandatory Requirements.

The Technical Proposal must contain the following general sections:

### **2.3.3.1 Section 1 – Executive Summary**

The Executive Summary is intended to highlight the contents of the Technical Proposal and to provide OAC evaluators with a broad understanding of the respondent's technical approach and ability to achieve the experienced results.

### **2.3.3.2 Section 2 – Previous Experience and Background**

This section shall include the following information:

#### **Operations Profile**

The respondent shall present a profile of their firm's operations and qualifications. Respondents are encouraged to provide an overview of the firm's business operations relevant to the requirements of this RFP. Respondents shall outline the firm profile to include each of the following:

- a) whether the firm is local, national, or international;
- b) the total number of employees (distinguishing between administrative staff, management, and principal partners or officers)
- c) the location of the offices from which the work will be managed and the number of staff hours to be assigned to each program department that participates in the Contract.
- d) The total staff to be assigned to the Contract, and the number of staff hours to be assigned to each program department that participates in the Contract.

### **Business Background and Financial Position**

A description of the business background of the respondent (and all subcontractors proposed), including a description of their financial position.

In addition to the bonding and insurance requirements that will be required of successful vendors, the proposal must demonstrate that the vendor is currently financially stable and that future financial conditions are not likely to jeopardize the vendor's ability to provide service to the state. A vendor may demonstrate financial stability through one or more of the following:

- a) audited financial statements for five (5) years that show financial stability;
- b) unaudited financial statements for five (5) years or excerpts from financial statements that show financial stability;
- c) letters of reference from bankers or financial vendors;
- d) a commitment to post performance bonds; or
- e) other demonstrations deemed useful by the vendor.

An audited financial statement is not a required part of the proposal, but preferred, and a proposer may wish to use one to demonstrate financial stability. The state does not intend to require successful vendors to provide audited financial statements, but reserves the right to do so.



## **References, Qualifications, and Experience**

The proposal must identify at least five (5) references that can be contacted regarding their recent experiences with the vendor on accounts of similar substance as the state. The references must be specific as to the nature of the experience with the vendor, including name, volume, or referrals received, contact person's business address and phone number, rate of recovery, type of debt, and the scope of services provided by the vendor.

The respondent's status as a Minority Business Enterprise (MBE), if appropriate, certified by the Rhode Island Department of Administration, and/or a subcontracting plan which addresses the state's goal of ten percent (10%) participation by MBE's in all procurements.

The respondent shall present the qualifications, technical expertise and experience of the firm's key personnel who will be assigned to the performance of services. The Proposal must include a resume or a statement of qualifications for all key personnel.

Respondents must include a breakdown of each of the following:

- a) the responsibilities of all key personnel assigned listed in order of their positions of seniority and responsibility in the firm;
- b) the percentage of time that each key person will devote to this Contract; and
- c) the level of responsibility or authority of each key person.

For the purposes of this RFP, key personnel shall include the principals, partners, managers, and on-site supervisors who will be assigned to, and responsible for, the Contract. Key personnel assigned to the contract must perform as designated except in the case of termination from the firm or other unavoidable circumstances. Respondents responding to this RFP shall be considered to have accepted this condition.

During the period of performance, key personnel may be removed by the Contractor only upon the prior written approval of the Office of Accounts and Control. A significant change in the key personnel listed in the Proposal prior to, or after, the execution of the Contract, which is unsatisfactory to the Office of Accounts and Control, shall be grounds for disqualification of the Proposal or termination of the Contract. The Respondent is required to notify the Office of Accounts and Control immediately in the event of the unavailability of any key personnel.

The respondent shall report the ratio of managers and supervisors to collectors for the firm overall and for staff assigned to this contract.

#### 2.3.3.3 Section 3 - Minimum Qualifications

The respondent may be licensed, bonded, insured, and certified to collect in all states. The Proposal shall contain a list of all locations owned and/or operated by the respondent.

Respondents must furnish the state with a list of all clients lost in the past two (2) years and a list of settled and pending litigation over collection practices for the past (5) years.

Respondents must furnish the state with a list of settled and pending regulatory complaints over collection practices for the past five (5) years.

The proposal shall contain a list of all national and/or regional locator networks and associations to which the respondent subscribes/belongs, as well as to which credit reporting agencies the respondent has access.

The proposal shall contain the minimum data elements the state is to provide in order for the bidder to begin collection efforts and the range of methodologies available to exchange data and reports.

The proposal must contain a detailed work plan identifying the vendor's generic methodology used in resolving collection referrals. The following items must be addressed in the generic work plan as well as any additional information which the vendor feels it is relevant to successfully resolving referrals.

- a) Description of software to be furnished for state use with respect to capabilities and capacities; support systems; system privacy and integrity. A demonstration of such software may be required before award of this contract.
- b) Description of skip tracing techniques, national locator networks, and access to credit reporting agencies.
- c) Description of cash handling and control procedures.
- d) Description of general account reporting systems and available client reports, including account activity reports, account status reports, and monthly remittance reports.

- e) Description of litigation procedures.
- f) Demonstration of familiarity with federal and state rules and statutes governing collection agencies.
- g) Description of appropriate restrictions, controls and safeguards against unauthorized access by vendor personnel or others to any and all non-public data held by the state which may be provided to or otherwise come into possession of the vendor.
- h) Copies of routine letters used for collection, including client notification and demand for payment letters.
- i) Comprehensive explanation of how accounts are handled upon referral to the collection agency, including, but not limited to, data security provisions, the notification process, and parameters for case assignment. An outline of each major step in the data input process and the amount of time associated with each step.
- j) Comprehensive explanation of collection activity process upon case assignment to a collector, including, but not limited to, skip-tracing techniques, asset searches, telephone contact payment agreements, compromise negotiations and approvals, securing payment and criteria for account close-out. An outline of work and productivity standards.
- k) Documentation of average recovery rate for various types of accounts over the past two (2) years.

Plan for Conformity to Scope of Work and Procedural Specifications.

Section 6 of the RFP contains the Scope of Work and Section 7 contains the Procedural Specifications which will be met by a successful respondent. Each Response Proposal must contain a section which contains the vendor's plan to conform to the state specifications.

**2.3.3.3 Cost Proposal.** This section must contain all information relative to costs. The fees stated on the cost proposal must be wholly contingent upon collection. Cost proposals must be bid in the form of percentage rates (percent of collections).

The rates offered in the proposal must be the total charge for all services required by the RFP, including any litigation or attorney fees. The state will not pay separately for any collection agency litigation expenses, including sheriff's fees, court filing fees, and attorney's fees. Prices and terms of the

proposal must be valid for the length of any resulting contract.

The proposal shall quote the following three percentage rates separately for accounts collected with litigation (in-state and out-of-state) and for accounts collected without litigation (based upon the age of the account at the date of referral):

| Collection (No Legal) |             | Debt Collections (Legal) |                     |
|-----------------------|-------------|--------------------------|---------------------|
| <u>Bad Checks</u>     | <u>Debt</u> | <u>In-State</u>          | <u>Out-of-State</u> |

Level I: (current to 12 months old)

Level II: (over 1 year to 3 years)

Level III: (over 3 years)

The debtor shall be assessed any and all banking fees associated with issuing a subsequently dishonored check to the collection firm selected.

The debtor shall be assessed any and all filing fees and court costs incurred by the collection firm associated with civil litigation to collect the debt.

## **2.4 SUBMITTAL ADDRESS**

**2.4.1** Proposals should be mailed or hand-delivered in sealed envelopes marked:

**“RFP # 3071: Debt Collection Services**

**“COST PROPOSAL”**

OR

**“RFP # 3071 Debt Collection Services**

**“TECHNICAL PROPOSAL”**

**By Courier:**

**RI Dept. of Administration  
Division of Purchases, 2<sup>nd</sup> floor  
One Capitol Hill  
Providence, RI 02908-5855**

**By Mail:**

**R.I. Department of Administration  
Division of Purchases  
P.O. Box 6528  
Providence, RI 02940-6528**

NOTE: Proposals received after the above-referenced due date and time will not be considered. Proposals misdirected to other State locations or which are otherwise not presented in the Division of Purchases by the scheduled due date and time will be determined to be late and will not be considered.

- 2.4.2** Respondents will provide an original **plus** one (1) unbound, paper copy of the Cost Proposal Section.
- 2.4.3** Respondents will provide an original **plus** seven (7) paper copies and one (1) unbound paper copy of the Technical Proposal Section.

## SECTION 3 – EVALUATION CRITERIA

- 3.1.** Evaluation of proposals will be a two-step process. All proposals will undergo an initial technical evaluation as described in Sec. 3.3. Those proposals receiving at least the minimum number of points will move to step 2, the cost analysis
- 3.2.** Evaluation Criteria
- 3.2.1** Capability, Capacity, and Qualifications
- |                                   |                  |
|-----------------------------------|------------------|
| of Respondent.....                | 30 points        |
| Suitability of the Proposal ..... | <u>30 points</u> |
|                                   | 60 points        |
- 3.2.2** Cost Proposal 40 points
- Cost = (lowest proposal/this cost proposal x40 points)
- 3.3** All proposals will undergo an initial technical evaluation. Those proposals not receiving a minimum of forty-five (45) of the available technical points will be excluded from further consideration. Criteria for this initial technical evaluation are as stated in 3.2.1.
- 3.4** The state may, at its sole option, elect to require a respondent(s) to make a presentation to state officials regarding clarification of the technical components of their response to this Request for Proposals.
- 3.5** Proposals found to be technically or substantially non-responsive at any point in the evaluation process will be rejected and not considered further.
- 3.6** Notwithstanding the foregoing, the state reserves the right to award on the basis of cost alone.
- 3.7** **The state reserves the right to make multiple contract awards arising from the RFP if, in the opinion of the state, it serves the best interest of the state.**
- 3.8** The Technical Review/Evaluation Committee will present written findings, including the results of all evaluations, to the Division of Purchases of the Department of Administration, who will make the final selection for this requirement.

#### **4.0 SECTION 4 – GOVERNING TERMS AND CONDITIONS**

The State's Governing Terms and Conditions may be downloaded from the Purchases website at [www.purchasing.state.ri.us](http://www.purchasing.state.ri.us). Call the Helpline, at (401) 222-2142, ext 134, if technical assistance is needed

#### **SECTION 5 – BACKGROUND AND PURPOSE**

**5.0 GENERAL:** The State of Rhode Island has outstanding accounts receivable that are current, delinquent, aged, inactive, and/or not actively pursued. The state needs to address and act on these receivables in order to settle these accounts. This contract intends to accomplish this goal through improved collection efforts by the state and through the effort of a private collection agency which will be called upon to collect the account after it has been determined to be delinquent by a program department/agency. The Department of Administration, Office of Accounts and Control seeks to establish a master agreement for the collection of debts owed to state departments and agencies. The Office of Accounts and Control seeks to establish a menu of debt collection services from which state departments and agencies can choose in order to effectively manage their accounts receivable and efficiently collect current and overdue accounts.

The Office of Accounts and Control (OAC) administers a comprehensive accounting system which classifies transactions of state departments and agencies in accordance with the budget data. OAC maintains a control account of debts owing to each state program department and agency. Most program departments and agencies maintain subsidiary ledgers of individual accounts receivable.

The purpose of the RFP is to establish a master agreement for billing and debt collection services of a private company in the state's debt collection efforts. The following state departments and agencies are participating in the program: Department of Corrections; Department of Transportation; Division of Maintenance; Department of Judiciary; Department of Environmental Management, Community College of Rhode Island, and Department of Administration, Division of Motor Vehicles.

##### **5.1 Department of Corrections**

Rhode Island General Laws §42-56-38 empowers the Rhode Island Department of Corrections (RIDOC) to assess fees for such services as specialized supervision and counseling provided to sentenced offenders committed to the care, custody, or control of the Department. Following a public hearing, the general fee for probation/parole supervision was set at a maximum of \$15.00 per month per eligible client, which offender fees are the focus of this RFP.

All actively supervised clients of Adult Probation and Parole are Parole are potentially subject to the monthly fee of \$15.00, although the department has the authority to grant temporary waivers.

The offender fee is a legal obligation which extends beyond the period of eligibility and beyond the term of probation or parole. Therefore, neither the end of the period of eligibility for the fee, nor the end of the probation or parole term, would result in the severance of past due obligations for

legitimately assessed fees. The obligation is a civil one; potential penalties for non-payment shall be pursued through civil remedies. No criminal penalty attaches to non-payment.

## **5.2 Department of Transportation – Division of Maintenance**

The Department of Maintenance is responsible for maintaining state highways and bridges, including winter operations, litter and weed control, sweeping, mowing, roadside repairs, and drainage system cleaning. The Division ensures the proper repair of damages to state roads, highways, and bridges as a result of vehicular accidents and other roadway events requiring urgent or emergency remedy, e.g., water main breaks, uncontrolled drainage, debris removal, etc. The total cost of the repair effort is then assessed to the operator/owner of the vehicle or other party held responsible for the damages. The Division of Maintenance works with the Division of Motor Vehicles within the Department of Administration to suspend the operator/owner's driving privileges when applicable due to failure to reimburse the state for damages. The collection of past due damages reimbursements is required by this RFP.

## **5.3 Department of Judiciary**

Rhode Island has a unified court system composed of six statewide courts. The Worker's Compensation, Traffic Tribunal, District, and Family Courts are trial courts of special jurisdiction. The Superior Court is the general trial court, and the Supreme Court is the court of review.

The entire system in Rhode Island is state funded with the exception of probate courts, which is the responsibility of the cities and towns, and the municipal courts, which are local courts of limited jurisdiction. The Chief Justice of the Supreme Court is the executive head of the state court system and has authority over the judicial budget. The Chief appoints a State Court Administrator and an administrative staff to handle budgetary and general administrative functions. Administrative functions include personnel, purchasing, computer services, facility management, programming for the collection of court-ordered restitution, fines, fees, and costs. Accounts that are delinquent in paying these monetary penalties would be forwarded to a private collection agent under the contract.

## **5.4 Department of Administration – Division of Motor Vehicles**

The Division of Motor Vehicles is responsible for administering and enforcing all laws pertaining to the operation and registration of all motor vehicles, the issuance of motor vehicle driving licenses, the enforcement of all laws relating to the issuance, suspension and revocation of motor vehicle registration and licenses, inspection of motor vehicles and study of motor vehicle accidents. The Division of Motor Vehicles collects motor vehicles license and registration fees and sales and use taxes associated with the purchase of motor vehicles on behalf of the Division of Taxation. Checks received in payment of taxes and/or motor vehicle fees are sometimes dishonored by the banks upon which they were drawn. The collections of these dishonored checks is required by the RFP.

## **5.5 Department of Environmental Management (RIDEM)**

The mission of the department is to enhance the quality of life for this and future generations by protecting, managing, and restoring the natural resources of the state; enhancing outdoor recreation opportunities; protecting public health; preventing environmental degradation; guide the utilization of the state's natural resources to provide for sustainable economic opportunity while maintaining the natural environment; motivate the citizens of the state to practice an environmental ethic based upon an understanding of their environmental, their own dependence on it, and the ways in which their actions affect it.

Rhode Island General Law 42-17.1 empowers the department to establish fees for the various divisions within it. This includes: fines and penalties for regulatory violations imposed by RIDEM and by courts; property rental fees; park and beach user fees; various licensing fees (boats, landfills, hunting, fishing, pesticide usage, etc.). The Office of Management Services within RIDEM collects accounts receivable arising from the assessment of these fees. Accounts that are delinquent in paying fines and penalties and property rental fees would be referred to a private collection agent under the contract.

## **SECTION 6 - SCOPE OF WORK**

### **6.0 GENERAL**

The State of Rhode Island places reliance upon the expertise, experience, ability and capability of a qualified vendor. In response to this RFP, a qualified vendor shall present evidence of its professional competence, training, past relevant experience, letters of recommendation and any other relevant documentation. The firm selected and accepting this contract shall be of recognized standing within the profession of debt collection. Such recognized standing may consist of memberships in good standing within pertinent associations and organizations and an exemplary work record. Firm staff should be appropriately qualified to perform the services by virtue of education, training, and experience.

The State of Rhode Island seeks to engage the services of a recognized, qualified debt collection firm to bill and collect current debts, collect overdue debts, collect "bad checks", and "skiptracing" (locating debtors). The vendor shall do, perform, and carry out in a good and professional manner the following services:

- 6.1** The vendor, using methods outlined in their proposal, shall complete all billing, necessary research, debtor locating and debtor contract in order to collect current accounts receivable.
- 6.2** The vendor, using methods outlined in their proposal, shall complete all necessary research, debtor locating and debtor contact in order to collect delinquent accounts receivable and "bad checks" forwarded for collection.



- 6.3** The vendor, using methods outlined in his proposal, shall complete all necessary research in order to locate certain parties of interest to the state (debtors, absent parents, etc.), i.e. , "skiptracing."
- 6.4** All debts collected shall be deposited into a bank account in Rhode Island, designated by the General Treasurer and in the name of the State of Rhode Island. All Collected debts shall be deposited to the state bank account each day. A complete accounting of all deposits shall be entered into the "Golden" (Government On-Line Data Entry Network) system by the vendor daily. The bank deposit ticket shall be forwarded to the General Treasurer's office each business day and a copy of the "Golden" voucher sent to the referring agency.
- 6.5** The vendor shall provide management reports in a manner and frequency to be prescribed by the State. The vendor shall provide whatever data and/or reports necessary to a successor upon expiration of the contract.
- 6.6** The vendor shall provide a toll-free telephone number for debtor return telephone calls in operation twenty-four (24 hours) per day for six (6) days per week.
- 6.7** The vendor must lease, own or have access to computer facilities capable of providing the following services:
- 6.7.1** Accepting, processing and reporting accounts in the form of magnetic diskettes, cassettes, or tapes in the format provided by the state.
  - 6.7.2** Canceling accounts by magnetic diskette, cassette, or tape.
  - 6.7.3** Accepting adjustments, updates, and changes to accounts in the form of magnetic diskettes, cassettes, or tapes in the format provided by the state.
  - 6.7.4** Charging interest and/or penalty on a timely basis when required based on a participating department's directive.
  - 6.7.5** Maintaining a segregation of account components to include tax or fee, penalty, interest, and collection fee.
  - 6.7.6** Reporting payments received by the vendor by account via the Office of Accounts and Control "Golden" (Government On-Line Data Entry Network) and via magnetic diskette, cassette, and tape.
  - 6.7.7** A visit to the computer facilities physical plant may be required before award of this contract.
- 6.8** The vendor shall maintain at least one "local" office within the State of Rhode Island. The vendor shall establish the following minimum hours of operations for their local office: 9:00 AM to 5:00 PM (Eastern Time). The vendor's proposal must (1) identify the address of its principal office and (2) either (a) identify the address of the "local" office or (b) describe where it

would establish a “local” office should it be awarded the contract. A visit to the “local” office may be required before award of this contract.

**6.9 Rhode Island Department of Corrections (RIDOC) Requirements:**

**6.9.1** On a monthly basis, RIDOC shall provide the vendor with the following information by means of computer diskettes or other electronic data transfer (IBM-PC compatible) and/or paper reports, as mutually determined by RIDOC and the vendor.

**6.9.1.1** Client accounts to be opened or reopened:

Name  
Address  
Date of Birth  
Caseload #  
RIDOC ID #

**6.9.1.1** Client accounts to be terminated or suspended, i.e. completion of probation/parole; transfer to banked caseload; reincarceration; waiver of fee until further notice.

**6.9.1.2** In addition, RIDOC shall provide changes in address or other offender information, and retroactive waivers for those who had been enrolled, but should not have been for at least some of the time.

**6.9.2** The vendor shall be responsible for collecting monthly \$15.00 fees from offenders, who may be located anywhere in the State of Rhode Island. The \$15 fee is never prorated (i.e. partial month), nor partially waived. In other words, the monthly fee is always \$15. The preferred billing period is monthly; however, RIDOC will entertain proposals for alternative payment schedules by offenders. The vendor shall be expected to report on cases of non-payment and to take varying levels of action related to non-payees, including civil legal action where necessary and appropriate.

**6.9.3** The vendor shall provide a variety of reports to RIDOC. Reports shall be made available to RIDOC by means of computer diskettes or other electronic data transfer (IBM-PC compatible) and/or paper reports, such medium to be mutually determined. The layout of specific reports will also be mutually determined.

### 6.9.3.1 Monthly Activity Report

| ITEM                               | \$ | # CLIENTS |
|------------------------------------|----|-----------|
|                                    |    |           |
| Billing for report month           |    |           |
| Received against report month      |    |           |
| Received against prior billings    |    |           |
| Received as pre-payment            |    |           |
| Total received during report month |    |           |
| Returned for incorrect address     |    |           |
| Rebated                            |    |           |

### 6.9.3.2 Monthly Summary of Accounts Receivable

| ITEM                   | \$ | # CLIENTS |
|------------------------|----|-----------|
|                        |    |           |
| 60 Days Past Due       |    |           |
| 60 Days Past Due       |    |           |
| 90 Days Past Due       |    |           |
| 120 Days Past Due      |    |           |
| Over 120 Days Past Due |    |           |
| Total Past Due         |    |           |

### 6.9.3.3 Periodic statement of status by caseload and client [Provided upon request (not to exceed monthly)].

### 6.9.3.4 Other occasional summary or detail reports upon request.

## 6.10 Department of Transportation - Division of Maintenance (RIDOT) Requirements

**6.10.1** To initialize operations for debt collections RIDOT will host a meeting with vendor to review case referral protocol, reporting requirements and establish channels and timing of communications.

**6.10.2** On a monthly basis, RIDOT will refer accounts to be opened; RIDOT will provide the vendor with the following information:

**6.10.2.1** By means of computer diskettes or other electronic transfer (IBM-PC compatible):

|                               |            |
|-------------------------------|------------|
| Name                          | Invoice #  |
| Address                       | Invoice \$ |
| Division of Motor Vehicles'   |            |
| Safety Responsibility Case #, |            |
| where applicable              |            |

**6.10.2.2** Hard copy of the following as available and applicable in individual case folders labeled by case name and invoice number:

Initial Claim: Transmittal Letter, Summary Invoice, Detailed Invoice

Initial Notification to DOT  
of Damages:

Accident Report,  
State Property Damage  
Surveillance Post Card,  
follow-up corres-  
pondence, all applicable  
notes, record of receipts.

**6.10.3** The vendor shall supply a variety of reports to RIDOT. Reports shall be made available to RIDOT by means of computer diskettes or other electronic data transfer (IBM-PC compatible) and/or paper reports, such medium to be mutually determined. The specific layouts of reports will also be mutually determined.

**6.10.3.1 Daily: Record of Receipts to be Faxed**

**6.10.3.2 Monthly Activity Report**

| Item                               | \$ | # Clients |
|------------------------------------|----|-----------|
| Billing for Report Month           |    |           |
| Received against report month      |    |           |
| Received against prior billings    |    |           |
| Total received during report month |    |           |
| Returned for incorrect address     |    |           |

**6.10.3.3 Monthly Summary of Accounts Receivable**

| Item                | \$ | # Clients |
|---------------------|----|-----------|
| Days Past Due       |    |           |
| Days Past Due       |    |           |
| Days Past Due       |    |           |
| Days Past Due       |    |           |
| > 120 Days Past Due |    |           |

**6.10.3.4 Quarterly Statement of Status by Caseload and Client**

## **6.11 Department of Judiciary Requirements:**

**6.11.1** On a monthly basis, the RI Judicial Department shall provide the vendor with the following information by means of computer diskette or other electronic data transfer and/or paper reports as mutually determined by the courts and the vendor.

**6.11.1.1** Client accounts to be opened or reopened:

Name  
Address  
Date of Birth  
Case Number  
Amount Due

**6.11.2** The vendor shall provide a variety of reports to the Judicial Department . Reports shall be made available to the Courts by means of computer diskette or other electronic data transfer and/or paper reports, such mediums to be determined. The layout of specific reports will also be mutually determined.

**6.11.2.1** Daily Report of Collections

A daily report of what was collected and for whom should be submitted in a medium to be mutually determined. It must, however, include the case number of all individuals for which money is being collected.

**6.11.2.2** Monthly Activity Report

| Item                               | \$ | # of Clients |
|------------------------------------|----|--------------|
| Billing for Report Month           |    |              |
| Received against Report Month      |    |              |
| Received against Prior Billings    |    |              |
| Received as Pre-Payment            |    |              |
| Total Received during Report Month |    |              |

**6.11.2.3** Quarterly Write-Off Report

This report will identify all individuals who could not be located within six (6) months from date collection activity begins on each accounts. It should be submitted in a medium to be mutually determined. It should include the case number for each individual that cannot be located.

**6.11.1.4** No partial payments on any accounts without the prior approval of the Judicial Department.

**6.12 Department of Administration - Division of Motor Vehicles Requirements**

**6.12.1** The vendor will be required to submit a daily record of payment for that day and daily deposit of those receipts.

**6.12.2** The vendor will provide the debtor with a receipt upon payment of the debt in full. The receipt must have the following information:

Name, date of birth, license and/or registration number, plate number and plate type, check number, date of check, and check amount.

The vendor will then advise the debtor to bring receipt to the agency in order to be reinstated.

- 6.12.3** The vendor will calculate penalty and interest on those debts that meet this criteria. (The Division of Motor Vehicles will advise the vendor of the calculation methodology and the rate(s) to be used.)
- 6.12.4** The vendor will prepare and submit a daily receipt voucher form for the General Treasurer's Office.
- 6.12.5** Vendor will supply receipted copy of the deposit slip to the agency.
- 6.12.6** The agency will only accept the face value of the amount of the check plus penalty and interest accrued when applicable. Penalty and interest is calculated to date check is paid.
- 6.12.7** It is strongly suggested that vendor have an office located in the metropolitan area.
- 6.12.8** The vendor will submit a monthly report to the agency. The report will consist of the total number of debts collected, moneys received.

**6.13 Rhode Island Department of Environmental Management (RIDEM) requirement:**

- 6.13.1** An initial meeting between RIDEM and the vendor will occur to case, reporting requirements.
- 6.13.2** On a monthly basis, RIDEM will provide to the collection agent a listing of those accounts that are in arrears by means of computer diskettes or other electronic data transfer and/or paper reports, as mutually determined by RIDEM and the vendor.
  - 6.13.2.1** RIDEM will provide:
    - Division (within RIDEM)
    - Name
    - Address
    - Date of Birth (if available)
    - Case Number
    - Amount Due
- 6.13.3** The vendor shall supply a variety of reports to RIDEM. Reports shall be made available to RIDEM by means of computer diskettes or other electronic data transfer (IBM-PC compatible, Windows 95, or Office 97 format) and/or paper reports, such medium to be mutually determined. The specific layouts of reports will also be mutually determined
  - 6.13.3.1** Daily: Record of receipts to be faxed (to include name and amount collected) by division name to RIDEM

Office of Management Services. The vendor will provide the debtor with a receipt upon payment of account in full. The vendor will calculate penalty and interest that meet the criteria as outlined in RIDEM regulations or state statute. The vendor will prepare a receipt voucher, on a frequency to be determined by RIDEM, if collections are made. Vendor will supply a receipted copy of deposit slip to RIDEM Office of Management Services. A report of uncollectible accounts is due to RIDEM by April 15<sup>th</sup>.

#### **6.13.3.2 Monthly Activity Report**

| <b>Item</b>                        | <b>\$</b> | <b># Clients</b> |
|------------------------------------|-----------|------------------|
| Billing for Report Month           |           |                  |
| Received against report month      |           |                  |
| Received against prior billings    |           |                  |
| Total received during report month |           |                  |
| Returned for incorrect address     |           |                  |

#### **6.13.3.3 Monthly Summary of Accounts Receivable**

| <b>Item</b>         | <b>\$</b> | <b># Clients</b> |
|---------------------|-----------|------------------|
| 60 Days Past Due    |           |                  |
| 60 Days Past Due    |           |                  |
| 90 Days Past Due    |           |                  |
| 120 Days Past Due   |           |                  |
| > 120 Days Past Due |           |                  |

### **SECTION 7 - PROCEDURAL SPECIFICATIONS:**

**7.0** Vendors must demonstrate an aggressive and consistent collection practice that is in full compliance with Rhode Island laws and Federal Fair Debt Collection Practices Act. Emphasis on all accounts referred must be on securing full payment within the shortest possible time period. The successful respondents collection process will be subject to the following procedural specifications:

**7.1** Procedures to be used include, but are not limited to, mail efforts, telephone calls, skip tracing, locator networks, and litigation.

**7.2** Operating software utilized by the vendor is to be furnished at no charge to the state. The state and vendor are to share said software and have ongoing mutual access to account payment status records as well as summary data. At such time as the contract expires, or for any reason is not renewed, software becomes the property of the state. All software is to be functional in a "windows" environment, and be totally functional on a 486 level personal computer. The vendor shall provide all training necessary to participating agencies in the operation of the software.

- 7.3** Monthly statements from the collection agency must be provided to each participating program department summarizing the number and value of placement during each month, collections against those placements, returns/closings of those placements, and the remaining inventory being pursued. Reports must be summarized by individual, type of receivable as well as in totals for the department.
- 7.4** Remittance reports are to be made as required by the referring agency. The vendor must include with remittances a statement identifying the date collected, account name, social security number, amount collected, type of receivable collected and balance due on the account.
- 7.5** Accounts referred for collection must be acknowledged within three (3) business days of receipt by the collection agency. Accounts will remain with a collection agency for a period no longer than one year unless there is documented evidence of payments being regularly received or other productive collection activity taking place, including authorized litigation. Accounts with no payments or other positive collection activity during the year shall be returned to the referring department.
- 7.6** When the vendor receives any notice that a debtor for a referred account has filed for protection under the Federal Bankruptcy Act, the vendor shall immediately forward a copy of the notification to the appropriate department. A determination will be made by the state department/agency whether the referred account shall be returned to the state due to bankruptcy.
- 7.7** Compromise of the amount owed will not be accepted without prior approval of the appropriate department. The vendor will be required to furnish, with any proposal for a compromise settlement, a review of the relevant facts and the vendor's recommendation.
- 7.8** Due to the potential confidentiality of information passed to the vendor, the state requires that a vendor may not use any non-public debtor data for any reason other than for the sole purpose of the contract. Non-public data may not be utilized for other collection cases. Upon termination or expiration of the contract, all data is to be returned to the state without additional fees.
- 7.9** Payment agreements may be arranged with the debtor after analysis of the debtor's financial circumstances, consideration of the state's requirements, and approval by the referring department. Payment agreements cannot extend beyond six (6) months from termination of the contract. A fee will be paid to the vendor for all collections during this period.
- 7.10** A referring state agency may recall an account placed for collection if there is a need to resolve substantial issues or appeals regarding the amount or the validity of the debt. Upon notification of recall to the vendor by the state, the vendor shall immediately suspend collection efforts on the recalled account(s). Amounts collected by the state during the process of resolving these issues are not subject to the vendor's discount fee



allowance unless the vendor can prove that the amounts were collected as a direct result of its collection efforts.

- 7.11** If the vendor obtains a judgment against a debtor, the vendor must notify the appropriate department of the docket date, the court issuing the judgment, the dollar amount of the judgment, the name of the party the judgment was entered against and the expiration date of the judgment
- 7.12** Once an account is referred for collection services, the state will no longer accept payments directly from an account. All payments received by the state will be forwarded to the vendor.
- 7.13** If a debtor is obtaining credit towards payment of outstanding court fines and costs as a result of incarceration, all collection efforts shall cease during the period of incarceration and no fee shall be paid to the vendor for payment credits applied to the account as a result of the incarceration.
- 7.14** Upon cancellation of an account or when an account is considered uncollectible, the vendor will be required to return the account to the referring department/agency with an explanation for cancellation and a recommendation as to whether the account should be abated. The vendor will receive no fee for any uncollected accounts.
- 7.15** In any case where an account has been assigned to the vendor and the vendor has not made any collections within six (6) months of the assignment or any six (6) month period following assignment, the account shall be returned to the referring department/agency. No fee shall be paid on money collected following the return of the account.
- 7.16** In cases where an account has been assigned to the vendor and the amount due on the account is adjusted by the state, the fee for services rendered will be calculated on the adjusted amount and not on the original amount.
- 7.17** Vendors are encouraged to propose additional tasks or activities if they will contribute to improved results of the contract's intended purpose.
- 7.18** The services to be performed by the vendor shall be undertaken and completed in such sequence as to assure their expeditious completion and best carry out the purposes of the agreement.
- 7.19** The quoted fees in the bid proposal shall be all inclusive and shall include all expenses to be incurred in connection with the services to be performed. Compensation will be paid only if the debtor pays all or a portion of the account due.
- 7.20** Payment of the contracted price will be due within thirty (30) working days following submission of monthly invoices to the State and acceptance thereof by the State. All billings shall describe in detail the following information:
- the state agency, for whom the collection was made;
  - the name and/or account number collected;

- the collection amount(s) and the date(s); and
- the fee and costs due for each collection.

The monthly invoice shall be forwarded to:

Department of Administration  
Office of Accounts and Control  
One Capitol Hill  
Providence, RI 02908-5886

- 7.21** The vendor shall receive payment for services upon submission of monthly billings. The vendor shall not collect or deduct any fees from any debts collected.
- 7.22** The vendor shall, at such time and in such form as the State may require, furnish such periodic reports concerning the status of the debt collection items, such statements, certificates, approvals, and copies of proposed and executed plans and claims and other information relative to the contract as may be requested by the State. The vendor shall furnish the State, upon request, with copies of all documents and other materials prepared or developed in relation with or as part of the contract. The vendor shall furnish the following standard reports in facsimile fashion to each participating department at the frequency indicated (See Appendix I for samples):
- Acknowledgment Report (within three days of receipt of account or as requested).
  - Account Status Report (monthly or as requested).
  - Cancellation Report (as required).
  - Payment Agreement Account Status Report (monthly)
  - Collections Performance Report (monthly).
  - Collections Aging Report (monthly)
- 7.23** The vendor shall maintain full and accurate records with respect to all matters covered under this engagement. The State shall have free access at all proper times to such records and the right to examine and audit the same and to make transcripts therefrom and copies thereof and to inspect all program data, documents, proceedings and activities.
- 7.24** The vendor shall commence, carry on, and complete the project with all practicable dispatch in a sound economical and efficient manner, in accordance with the provisions thereof and all applicable laws. In accomplishing the project, the vendor shall take such steps as are appropriate to insure that the work involved is properly coordinated with any related work being carried on in the State.
- 7.25** The vendor will secure at his/her own expense, all personnel required in performing the services under this agreement. Such personnel shall not be employees of or have any contractual relationship with the State. All of the services required hereunder shall be performed by the vendor or under his/her supervision, and all personnel engaged in the work shall be fully qualified to perform such services.

- 7.26** The contract will be for a term of one (1) year with an option for renewal for two (2) additional years. The bid proposal shall provide a price for services and expenses. The vendor shall be subject to an annual evaluation during the entire term of the contract.
- 7.27** The contract may be changed and/or canceled only with expressed agreement in writing of both parties and with prior approval by the State. Upon termination, the vendor shall be compensated for work satisfactorily completed prior to the date of termination.
- 7.28** Data submitted to or developed by the vendor is restricted to the purposes of fee collection/skiptracing. The vendor may not provide this information to any individuals other than its employees or individuals/firms the vendor contracted with for mailing and/or collecting payments or tracing debtors. The vendor shall provide to a successor vendor a copy of open accounts within their database upon termination of their contract. The open account database shall be in an electronic medium and in a format that is as closely compatible to the successor vendor's as possible. The cost of providing this database will be borne by the successor vendor.

## **APPENDIX I**

### **REQUIRED STANDARD REPORTS**

(Attached Samples)

- Acknowledgment Report (within three days of receipt of account, or as requested).
- Account Status Report (monthly, or as requested.)
- Cancellation Report (as required)
- Payment Agreement Account Status Report (as requested)
- Collection Performance Report (monthly)
- Collection Aging Report (monthly)